

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

04 03 002

(B) Earl M. Retzlaff and/or
Ronale Case and those
residents similarly situated.
(see Attachment "A"
)

(Fill in Complainant (s) name)
 vs.

(C) Regal Mobile Estates
~~Monrovia - Costa Mesa Capital Co. Inc.~~
~~Monrovia - Costa Mesa Capital Co. Inc.~~
~~Monrovia - Costa Mesa Capital Co. Inc.~~
~~Monrovia - Costa Mesa Capital Co. Inc.~~

(Fill in each Defendant (s) name)

CASE _____
 (for Commission use only)

(A) Have you tried to resolve this matter
 informally with the Commission's Consumer
 Affairs staff?

_____/_____
 YES NO

Has staff responded to your complaint?

_____/_____
 YES NO

Did you appeal to the Consumer Affairs Manager?

_____/_____
 YES NO

Do you have money on deposit with the
 Commission?

_____/_____/_____
 YES NO AMOUNT

Is your service now disconnected?

_____/_____
 YES NO

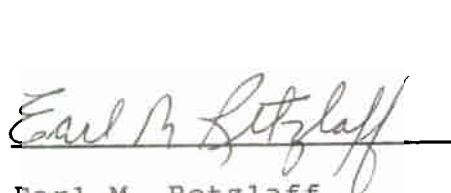
COMPLAINT

(D) The complaint of Earl M. Retzlaff, 1845 Monrovia, Costa Mesa, Ca., 92627
 (Insert exact legal name, mailing address and telephone number of each complainant)
Space 42, Phone 949-645-6359 and Ronale Case, 1845 Monrovia, Costa
Mesa, Ca. 92627, Space 37, Phone 949-646-8075 and residents similarly
situated. (see Attachment "A")
 respectfully shows that:

(E) 1. Defendant(s) Regal Mobile Estates, 1845 Monrovia, Costa Mesa, Ca. 92627,
 (Insert full name and address of each defendant)
Space 54, Manager and (see Attachment "B")

ATTACHMENT "A"

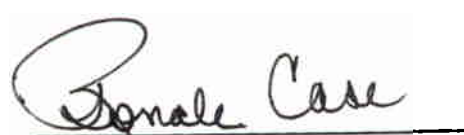
We the undersigned, a group of residents/homeowners of Regal Estates, 1845 Monrovia Ave., Costa Mesa, CA, 92627 do hereby appoint and authorize Earl M. Retzlaff, President, and or Ronale Case, Secretary of Regal Club Mobile Home Owners Association, Inc. to represent us in the filing of the Formal Complaint with the CPUC. We also authorize that copies of our utility charges and our DWR CREDIT for said period of time be attached to the complaint form.



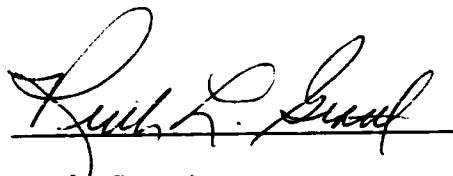
Earl M. Retzlaff
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 42
Phone: 949-645-6359



David Wintle
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 68
Phone: 949-548-7994



Ronale Case
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 37
Phone: 949-646-8075




Ruth Grant
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 51
Phone: 949-645-6352




Albert Cochran
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 65
Phone: 949-548-6294



Karen Tucker
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 19
Phone: 949-631-4467



Judy Leach
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 69
Phone: 949-645-6931



James Monk
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 44
Phone: 949-631-4292



Dutch Beeninga
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 62
Phone: 949-645-5427



Carol Smith
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 67
Phone: 949-548-7556



Miriam Jordan
1845 Monrovia Ave.
Costa Mesa, Ca.
92627
Space 10
Phone: 949-548-5113

ATTACHMENT "B"

- (E) 2. Newport Pacific Capital Co. Inc., 17300 Redhill Ave., Suite 280, Irvine, Ca., 92614. Attention to one or all Clarke Fairbrother, Mike Sullivan (Principal owners). and Brigitte BE LOW (Regional Mgr.).
3. Park Billing Co. Inc., 305 A Industrial Way, Dixon, Ca., 95620
4. Audette Family, % Jennifer Henningfield, 2566 Estoril St., Valencia, Ca., 91355

(F.1) 2. Explain fully and clearly the details of your complaint. (Attach additional pages if necessary)

~~We are requesting that the Public Utilities Commission hold a hearing to determine the validity of the allegations made against the Regal Mobile Estates, Newport Pacific Capital Co. Inc., Park Billing Co., Inc. and the owners of the park; Audette Family represented by Jennifer Henningfield. This complaint is in regards to our DWR REFUND CREDIT we received on our January 2004 billing statement. Regal Mobile Estates had previously stated we were not eligible for a refund. When we persisted, refunds were issued by the park. We recalculated various rental statements and not one of the credits were correct using the information provided in the letter dated September 26, 2003 that SCE sent to their Master Metered Customers. (copy of letter attached)~~

(additional page attached)

(F.2) 3. Scoping Information

(a) The proposed category for the Complaint is (check one):

☒ adjudicatory

☐ ratesetting (if the complaint challenges the reasonableness of a rate)

(b) Are hearings needed? YES NO

(c) The issues to be considered are:

~~Did park violate code 739.5 (copy attached) by incorrectly calculating DWR REFUND CREDITS to Sub-Metered residents?~~

(d) The proposed schedule for resolving the complaint within 12 months (if categorized as adjudicatory) or 18 months (if categorized as ratesetting) is as follows:

Prehearing Conference: 30 to 40 days from the date of filing of the Complaint.

Hearing: 50 to 70 days from the date of filing of the Complaint.

This letter from SCE states how the credit is to be calculated as stated in the paragraph I have highlighted. I used the credit factor \$0.00669 to see if residents were refunded the correct amount according to their usage during the 12 month period. Some were short some were over some did not receive a refund at all. I was informed by SCE that we should have received a credit for the KWH usage during the period August 1, 2002 to July 31, 2003. We feel Regal Mobile Estates, Newport Pacific Capital Co. Inc., Park Billing Co. Inc., and the owners of the park, Audette Family violated Code Section 739.5 (copy attached). Attached to complaint are copies of my rental statements showing error and proving usage for the 12 months in question. At hearing I can produce copies from statements from several residents showing additional errors. One statement is also included showing DWR REFUND CREDIT given in January 2004. We also are providing a break down of actual usage and our calculations.

Explain here if you propose a schedule different from the above guidelines.

We would like to request a hearing to be held in our area

(G) Wherefore, complainant(s) request(s) an order: State clearly the exact relief desired. (Attach additional pages if necessary)

Correct our DWR REFUND CREDIT to all eligible

residents Of Regal Mobile Estates.

(H) Dated Costa Mesa, California, this 24 day of February, 20 04
(city) (date) (month) (year)

Earl B. Fitzlaff

(Signature of each complainant)

See Attachment "A"

Earl B. Fitzlaff

(Signature, address and telephone number of representative, if any)

EARL M. RETZLAFF

1845 MONROVIA SP 42

COSTA MESA, CA 92627

(949) 645-6359

AND

Ronale C Case

RONALE C CASE
1845 Monrovia #37

Costa Mesa, CA 92627
(949) 646-8075

VERIFICATION
(For Individuals or Partnerships)

I am (one of) the complainant(s) in the above-entitled matter; the statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

(I) Executed on February 24, 2004, at Costa Mesa, California.
(date) (city)

(If more than one complainant, only one need sign) Earl B. Fitzhuff
(Complainant)

VERIFICATION
(For a Corporation)

I am an officer of the complaining corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to the matters which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

(I) Executed on _____, at _____, California.
(date) (city)

(Signature and Title of Corporate Officer) _____

(J) FILE the original complaint plus 7 copies, plus 1 copy for each named defendant, with the Commission.

(K) MAIL TO: California Public Utilities Commission
Attn: Docket Office
505 Van Ness Avenue, Room 2001
San Francisco, CA 94102



SOUTHERN CALIFORNIA
EDISON

An EDISON INTERNATIONAL Company

OCT 09 2003

September 26, 2003

A NO 2003

Notification of Changes to Master Meter Rate Schedules

On July 15, 2003, the California Public Utilities Commission (CPUC) authorized Southern California Edison (SCE) to reduce its rates, revise its rate structure and change its method for billing Direct Access (DA) customers. These changes were to be made in two phases, with phase I lowering rates effective August 1, 2003 and phase II revising the method of billing customers effective September 1, 2003.

In *Phase I*, the total rate levels were changed to reflect a lower generation charge for all rate schedules. In addition, the legislated rate reduction was included in the new, lower generation charges and no longer appears as a separate line item on the monthly bill. (Please see the enclosed Phase I table for details.)

In *Phase II*, energy charges were separated into Delivery and Generation Services, and the domestic five-tiered rate structure was reduced to four tiers. Customers who receive the California Alternate Rates for Energy (CARE) discount or Medical Baseline will continue to receive a discounted SCE rate and are exempt from DWR Hold Charges.

Delivery Service charges are applied to all retail customer energy sales and include charges for Transmission and Distribution of energy. Generation Service charges are further divided into SCE and Department of Water Resources (DWR) components. These charges are not applicable to Direct Access customers. SCE Generation charges apply to that portion of energy supplied by SCE, while DWR Generation charges apply to energy supplied by DWR. The percentage of total system energy requirements provided by DWR and SCE is determined for each billing cycle, and the appropriate Generation charges are applied. (Please see the enclosed Phase II table for details and example provided.)
DWR Refund Credit

The CPUC recently ordered all California utilities to provide a one-time line item credit to their customers for a \$1 billion reduction in the DWR 2003 revenue requirement. This credit began appearing on customers' statements September 22, 2003.

The credit is based on the customers' eligible kWh usage during the period August 1, 2002 to July 31, 2003, multiplied by the DWR Energy Credit Factor (\$0.00669). CARE, Medical Baseline and Direct Access customers are not eligible to receive the credit. Customers who were eligible for a portion of the period from August 1, 2002 to July 31, 2003 will receive a refund based on their eligible usage. Closed accounts are also eligible for a refund. Refund checks on these accounts will be mailed later this year.

We appreciate the opportunity to serve you and hope that the above information will assist you in providing accurate billing statements to your sub-metered customers. If you need more information, please call our 24-hour customer service department at 1-800-655-4555 or visit our Web site at www.sce.com. Thank you.

Southern California Edison

(d) CARE program funds shall be used for the purposes of paragraph (3) of subdivision (b) and outreach pursuant to subdivision (c). The commission's costs for outreach pursuant to subdivision (c) may not exceed five hundred thousand dollars (\$500,000) above the amount that the commission currently expends on similar activities related to the CARE program. Energy corporations may recover all reasonable costs from the CARE program funds of implementing this section.

(Added by Stats. 2001, 1st Ex. Sess., Ch. 11, Sec. 2. Effective May 22, 2001.)

739.5. (a) The commission shall require that, whenever gas or electric service, or both, is provided by a master-meter customer to users who are tenants of a mobilehome park, apartment building, or similar residential complex, the master-meter customer shall charge each user of the service at the same rate directly from the gas or electrical corporation. The commission shall require the corporation furnishing service to the master-meter customer to establish uniform rates for master-meter service at a level which will provide a sufficient uniform to cover the reasonable average costs to master-meter customers of providing submeter service, except that these costs shall not exceed the average cost that the corporation would have incurred in providing comparable services directly to the users of the service.

(b) Every master-meter customer of a gas or electrical corporation subject to subdivision (a) who, on or after January 1, 1978, receives any rebate from the corporation shall distribute to, or credit to the account of, each current user served by the master-meter customer that portion of the rebate which the amount of gas or electricity, or both, consumed by the user during the last billing period bears to the total amount furnished by the corporation to the master-meter customer during that period.

(c) An electrical or gas corporation furnishing service to a master-meter customer shall furnish to each user of the service within a submetered system every public safety customer service which it provides beyond the meter to its other residential customers. The corporation shall furnish a list of those services to the master-meter customer who shall post the list in a conspicuous place accessible to all users. Every corporation shall provide these public safety customer services to each user of electrical or gas service under a submetered system without additional charge unless the corporation has included the average cost of these services in the rate differential provided to the master-meter customer on January 1, 1984, in which case the commission shall deduct the average cost of providing these public safety customer services when approving rate differentials for master-meter customers.

(d) Every master-meter customer is responsible for maintenance and repair of its submeter facilities beyond the master meter, and nothing in this section requires an electrical or gas corporation to make repairs to or perform maintenance on the submeter system.

(e) Every master-meter customer shall provide an itemized billing of charges for electricity or gas, or both, to each individual user generally in accordance with the term and content of bills of the corporation to its residential customers, including, but not limited to, the opening and closing readings for the meter, and the identification of all rates and quantities attributable to each block in the

applicable rate structure. The master-meter customer shall also post, in conspicuous place, the applicable prevailing residential gas or electrical rate schedule, as published by the corporation.

(f) The commission shall require that every electrical and gas corporation shall notify each master-meter customer of its responsibilities to its users under this section.

(Amended by Stats. 1983, Ch. 622, Sec. 1.)

739.6. The commission shall establish rates using cost allocation principles fairly and reasonably assign to different customer classes the costs of providing service to those customer classes, consistent with the policies of affordability and conservation. The cost allocation methodology adopted for gas corporations by the commission in Decisions 86-12-009 and 86-12-010, as supplemented by Decisions 87-05-046 and 87-12-039, is consistent with this policy, and shall be retained by the commission at least until December 31, 1990, except that the commission may modify this cost allocation methodology to address customer hardships and inequities if residential customers as a class are not, on balance, adversely affected and the purpose of the modification is not solely protection of gas corporation revenues. If any gas corporation files a cost allocation application seeking to change that methodology after May 1, 1990, the commission may not issue an order on that application until January 1, 1991.

(Added by Stats. 1988, Ch. 212, Sec. 3. Effective June 28, 1988.)

739.7. In establishing residential rates, the commission shall retain an appropriate inverted rate structure. If the commission increases baseline rates pursuant to Section 739, revenues resulting from those increases shall be used exclusively to reduce nonbaseline residential rates.

(Repealed and added by Stats. 1992, Ch. 1040, Sec. 4. Effective January 1, 1993.)

739.8. (a) Access to an adequate supply of healthful water is a basic necessity of human life, and shall be made available to all residents of California at an affordable cost.

(b) The commission shall consider and may implement programs to provide rate relief for low-income ratepayers.

(c) The commission shall consider and may implement programs to assist low-income ratepayers in order to provide appropriate incentives and capabilities to achieve water conservation goals.

(d) In establishing the feasibility of rate relief and conservation incentives for low-income ratepayers, the commission may take into account variations in water needs caused by geography, climate and the ability of communities to support these programs.

(Added by Stats. 1992, Ch. 549, Sec. 3. Effective January 1, 1993.)

739.10. The commission shall ensure that errors in estimates of demand elasticity or sales do not result in material over or undercollections of the electrical corporations.

(Added by Stats. 2001, 1st Ex. Sess., Ch. 8, Sec. 10. Effective April 12, 2001.)

740. For purposes of setting the rates to be charged by every electrical corporation, gas corporation, heat corporation or telephone corporation for the

1
GEM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Carl M. Retzlaff and/or)
Ronale Case and those)
Residents similarly situated,)
et al,)

Complainants,)

vs.)

Regal Mobile Estates, et al.)

Defendants.)

CASE: 04-03-002

ANSWER TO COMPLAINT

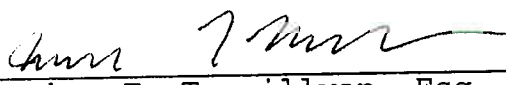
Assigned To:
Commissioner Geoffrey F. Brown
and Administrative Law Judge
Glen Walker

FILED
PUBLIC UTILITIES COMMISSION
APR 14 04
SAN FRANCISCO OFFICE

Regal Mobile Estates, Newport Pacific Capital Co, Inc., Clarke Fairbrother, Mike Sullivan, Brigette Below, Audette Family and Jennifer Henningfield Answer the Complaint as follows:

All Material Allegations contained in the complaint are denied. Defendants raise as a Defense that Complainants were given all refunds due them. Defendants further allege that they did not violate California Public Utilities Code section 739.5.

Dated: April 14, 2004


Jonathan T. Trevillyan, Esq.
Attorney for Defendants
Post Office Box 911
1954 W. Soledad Canyon Road
Acton, California 93510-0911
Telephone: 661/269-2732
Facsimile: 661/269-2758

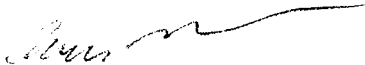
RECEIVED
PUBLIC UTILITIES COMMISSION
LOS ANGELES OFFICE
04 APR 14 PM 3:40

VERIFICATION

I am one of the attorneys for defendants, parties to this action. The parties are absent from the county where such attorneys have their offices, and I make this verification for and on their behalf of the parties for that reason. I am informed and believe and on that ground allege that the matters stated in the foregoing document is true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: April 17, 2004



JONATHAN T. TREVILLYAN

PROOF OF SERVICE

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen and not a party to the within action; my business address:

P.O. Box 911
1954 West Soledad Canyon Road
Acton, California 93510-0911
661/269-2732

On April 17, 2004 I served the document(s) described as: Answer To Complaint upon the interested parties to this action in a sealed envelope, by mailing postage prepaid to the following parties:

Please See Attached Service List

I declare under penalty of perjury and under the laws of the State of California that the foregoing is true and correct.

DATE: April 17, 2004



JONATHAN T. TREVILLYAN

SERVICE LIST

Earl M. Retzlaff
1845 Monrovia Space 42
Costa Mesa, California 92627

David Wintle
1845 Monrovia Space 68
Costa Mesa, California 92627

Ronale Case
1845 Monrovia Space 37
Costa Mesa, California 92627

Ruth Grant
1845 Monrovia Space 51
Costa Mesa, California 92627

Albert Cochran
1845 Monrovia Space 65
Costa Mesa, California 92627

Karen Tucker
1845 Monrovia Space 19
Costa Mesa, California 92627

Judy Leach
1845 Monrovia Space 69
Costa Mesa, California 92627

James Monk
1845 Monrovia Space 44
Costa Mesa, California 92627

Dutch Beeninga
1845 Monrovia Space 62
Costa Mesa, California 92627

Caryl Smith
1845 Monrovia Space 67
Costa Mesa, California 92627

Miriam Jordan
1845 Monrovia Space 10
Costa Mesa, California 92627

SERVICE LIST

Edward G. Poole
Anderson & Poole
601 California Street, Suite 1300
San Francisco, California 94108-2818

Sheila Dey, Executive Director
Western Manufactured Housing Communities Association
455 Capital Mall, Suite 800
Sacramento, California 95814

Commissioner Geoffrey F. Brown
California Public Utilities Commission
505 Van Ness Avenue Room 5213
San Francisco, California 94102

Judge Glen Walker
California Public Utilities Commission
505 Van Ness Avenue Room 5106
San Francisco, California 94102

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

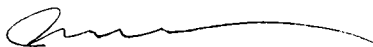
Carl M. Retzlaff and/or)	CASE: 04 03 002
Ronale Case and those)	(Filed March 4, 2004)
Residents similarly situated.)	
)	Written Statement Of Regal
Complainants,)	Estates
vs.)	
)	
Regal Mobile Estates.)	
)	
Defendants.)	
)	
)	

WRITTEN STATEMENT OF REGAL ESTATES

Pursuant to the April 26, 2004 ruling of Administrative Law Judge Glen Walker, Regal Estates provides the following written statement, attached hereto as Exhibit A and Exhibit B, showing the date and amount of SCE corrected refund or credits for the ten residents referenced in the complaint. The written statement provides corrected rebate amounts and how the amounts were calculated for each of the residents.

Respectfully Submitted

Dated June 9, 2004



Jonathan T. Trevillyan, Esq.
Attorney for Defendants
Post office Box 911
1954 W. Soledad Canyon Road
Acton, California 93510-0911
Telephone: 661/269-2732
Facsimile: 661/269-2758

Regal Mobile Estates: refund calculations

A Southern California Edison Company rebate was on the master meter bill of Regal Mobile Estates on the Electric bill covering the dates 8/29/03 to 9/30/03, a period of 32 days. The amount of the refund was listed as DWR Credit of \$2173.02.

In accordance with state law the refund is given based on the resident billed usage on the latest previous billing to the residents. The latest previous billing to the residents was the billing period 8/11/03 to 9/11/03. In order to compute the refund rate it is necessary to first compute the park usage during the period 8/11/03 to 9/11/03. This calculation requires proration between two master meter billing periods. The previous billing period for the park usage during its previous billing from 7/31/03 to 8/29/03 is a period of 29 days.

For the period 8/29/03 to 9/30/03 the park was billed for 30,160 kwh. For the period 7/31/03 to 8/29/03 the park was billed for 28,240 kwh. For the resident billing period of 8/11/03 to 9/11/03 there were 32 days in the period 8/29/03 to 9/30/03 and 18 days in the period 7/31/03 to 8/29/03. Thus one must add the usage for the 13 days to that of the usage for 18 days:

$$\frac{13}{32} \times 30160 + \frac{18}{29} \times 28240 = 29781 \text{ kwh}$$

The rebate factor is then computed as the quotient of the refund divided by the usage:

Refund \$	\$2173.02	
-----	-----	
Kwh usage	29781 kwh	\$0.072967 per kwh. = rebate factor \$/kwh

The usage for each resident for the billing period 8/11/03 to 9/11/03 is as follows and their computed refund computed as kwh usage times rebate factor:

Space #	kwh used	\$ rebate
10	260	\$18.97
19	252	18.39
37	on CARE - no rebate authorized - refer to memorandum from Southern California Edison	
42	117	8.54
44	352	25.68
51	109	7.95
62	95	6.93
65	238	17.37
67	152	11.09
68	on CARE - no rebate authorized - refer to memorandum from Southern California Edison	
69	357	26.05

6/4/04 - rdg

**Meter
Reads**

Space #	7/10/2003	8/11/2003	Usage	9/11/2003	Usage
10	2347	2603	256	2863	260
19	3427	3711	284	3963	252
37	3737	4111	374	4422	311
42	9353	9494	141	9611	117
44	8591	8977	386	9329	352
51	566	691	125	800	109
62	6464	6571	107	6666	95
65	3881	4133	252	4371	238
67	7261	7484	223	7636	152
68	4755	5218	463	5661	443
69	7163	7606	443	7963	357

PROOF OF SERVICE

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen and not a party to the within action; my business address:

P.O. Box 911
1954 West Soledad Canyon Road
Acton, California 93510-0911

On June 9, 2004 I served the document(s) described as: Written Statement Of Regal Estates And Related Exhibits upon the interested parties to this action in a sealed envelope, by mailing postage prepaid to the following parties:

Please see attached Service List

I declare under penalty of perjury and under the laws of the State of California that the foregoing is true and correct.

DATE: June 9, 2004



JONATHAN T. TREVILLYAN

SERVICE LIST

Earl M. Retzlaff
1845 Monrovia Space 42
Costa Mesa, California 92627

Ronale Case
1845 Monrovia Space 37
Costa Mesa, California 92627

Judge Glen Walker
California Public utilities Commission
505 Van Ness Avenue Room 5106
San Francisco, California 94102

July 1, 2004

Judge Glen Walker
California Public Utilities Commission
505 Van Ness Avenue, Room 5106
San Francisco, Ca 84102

Re: Case #04 03 002 (Filed March 4, 2004)

Dear Judge Walker,

This letter is our written response to Regal Mobile Estates statement dated June 9, 2004 in answer to the above referenced filing.

Complainants object to the response as to the amounts and calculations provided by Regal Mobile Estates. According to a letter dated September 26, 2003 from Southern California Edison, the calculations and time period used by Regal Mobile Estates to calculate the DWR refunds are incorrect. (See attached copy of letter provided in original claim). In accordance with a document provided to us by the PUC, Decision 03-09-018 September 4, 2003, page 21 paragraph one states "The usage that the credit is based upon should be related to the usage that the customers paid for, so the credit should be calculated on the basis of the last 12 months of each customer's usage."

Respectfully Submitted,



Earl M. Retzlaff
1845 Monrovia Avenue, #42
Costa Mesa, Ca 92627



Ronale Case
1845 Monrovia Avenue, #37
Costa Mesa, CA 92627

Enclosures

SERVICE LIST:

Commissioner Geoffrey F. Brown
California Public Utilities Commission
505 Van Ness Avenue, Room 5106
San Francisco, Ca 94102

Jonathan T. Trevillyan, Esq.
P. O. Box 911
Acton, California 93510-0911

Decision 03-09-018 September 4, 2003

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison
Company (U 338-E) for Authority to Institute a
Rate Stabilization Plan with a Rate Increase and
End of Rate Freeze Tariffs.

Application 00-11-038
(Filed November 16, 2000)

Emergency Application of Pacific Gas and
Electric Company to Adopt a Rate Stabilization
Plan.

(U 39 E)

Application 00-11-056
(Filed November 22, 2000)

Petition of THE UTILITY REFORM NETWORK
for Modification of Resolution E-3527.

Application 00-10-028
(Filed October 17, 2000)

**ORDER IMPLEMENTING ALLOCATION OF THE SUPPLEMENTAL
2003 REVENUE REQUIREMENT DETERMINATION OF THE
CALIFORNIA DEPARTMENT OF WATER RESOURCES**

Summary

The California Department of Water Resources (DWR) has submitted a supplemental revenue requirement determination for 2003 that (1) updates its previously forecasted costs, revenues and required reserve levels, and (2) reduces its 2003 revenue requirement by \$1.002 billion. This Decision allocates DWR's updated revenue requirement, as well as the \$1.002 billion

DWR's August 4 Memorandum indicates that DWR agrees to the use of a one-time bill credit. Given DWR's agreement, and the strong policy and fairness reasons for returning the money at issue to ratepayers as quickly as possible, we will adopt a one-time bill credit. The usage that the credit is based upon should be related to the usage that the customers paid for, so the credit should be calculated on the basis of the last 12 months of each customer's usage. This will ensure that customers with highly seasonal usage, such as agricultural customers and those customers with heavy summertime air conditioning use, receive a credit that most accurately reflects their total usage. Because the implementation of the one-time bill credit most directly impacts DWR's and the utilities' cash flow and accounting and billing systems, we leave the remaining details of implementation up to DWR and the utilities,¹⁴ with the requirement that all affected IOU customers receive the bill credit within 45 days of the effective date of this decision.¹⁵

PG&E

The situation of PG&E is unique in two major ways. First, PG&E is currently in Chapter 11 bankruptcy. In proceeding I.02-04-026, this Commission is considering a proposed settlement of its bankruptcy litigation with PG&E. We have no desire for our action here today to limit our options in evaluating the bankruptcy settlement. For example, approval of the proposed settlement is one possible outcome of I.02-04-026, and we will not preclude or undercut that outcome here. Similarly, rejection of the proposed settlement is also a possibility,

¹⁴ In their comments on the draft decision, all three utilities have made implementation proposals.

¹⁵ Inactive or former customers are authorized to receive checks (in lieu of a bill credit) to the extent specified in each utility's implementation proposal.

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September 26, 2003

Notification of Changes to Master Meter Rate Schedules

On July 15, 2003, the California Public Utilities Commission (CPUC) authorized Southern California Edison (SCE) to reduce its rates, revise its rate structure and change its method for billing Direct Access (DA) customers. These changes were to be made in two phases, with phase I lowering rates effective August 1, 2003 and phase II revising the method of billing customers effective September 1, 2003.

In *Phase I*, the total rate levels were changed to reflect a lower generation charge for all rate schedules. In addition, the legislated rate reduction was included in the new, lower generation charges and no longer appears as a separate line item on the monthly bill. (Please see the enclosed Phase I table for details.)

In *Phase II*, energy charges were separated into Delivery and Generation Services, and the domestic five-tiered rate structure was reduced to four tiers. Customers who receive the California Alternate Rates for Energy (CARE) discount or Medical Baseline will continue to receive a discounted SCT rate and are exempt from DWR Hold Charges.

Delivery Service charges are applied to all retail customer energy sales and include charges for Transmission and Distribution of energy. Generation Service charges are further divided into SCT and Department of Water Resources (DWR) components. These charges are not applicable to Direct Access customers. SCE Generation charges apply to that portion of energy supplied by SCE, while DWR Generation charges apply to energy supplied by DWR. The percentage of total system energy requirements provided by DWR and SCE is determined for each billing cycle, and the appropriate Generation charges are applied. (Please see the enclosed Phase II table for details and example provided.)

DWR Refund Credit

The CPUC recently ordered all California utilities to provide a one-time line item credit to their customers for a \$1 billion reduction in the DWR 2003 revenue requirement. This credit began appearing on customers' statements September 22, 2003.

The credit is based on the customers' eligible kWh usage during the period August 1, 2002 to July 31, 2003, multiplied by the DWR Energy Credit Factor (\$0.00669). CARE, Medical Baseline and Direct Access customers are not eligible to receive the credit. Customers who were eligible for a portion of the period from August 1, 2002 to July 31, 2003 will receive a refund based on their eligible usage. Closed accounts are also eligible for a refund. Refund checks on these accounts will be mailed later this year.

We appreciate the opportunity to serve you and hope that the above information will assist you in providing accurate billing statements to your sub-metered customers. If you need more information, please call our 24-hour customer service department at 1-800-655-4555 or visit our Web site at www.sce.com. Thank you.

Southern California Edison